

Hearing Date and Time: May 31, 2007 at 10:00 a.m.
Response Date and Time: May 24, 2007 at 4:00 p.m.

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Phelps Dodge Corporation and
Phelps Dodge Magnet Wire Company, Inc.

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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	:	
In re	:	
	:	
DELPHI CORPORATION, <u>et al.</u> ,	:	Chapter 11
	:	
Debtors.	:	Case No. 05-44481 (RDD)
	:	
	:	(Jointly Administered)
	:	
-----X		

**RESPONSE OF PHELPS DODGE CORPORATION AND PHELPS DODGE MAGNET
WIRE COMPANY, INC. (CLAIM NO. 10411) TO DEBTORS' THIRTEENTH
OMNIBUS OBJECTION (SUBSTANTIVE) PURSUANT TO 11 U.S.C. § 502(b) AND
FED. R. BANKR. P. 3007 TO CERTAIN (A) INSUFFICIENTLY DOCUMENTED
CLAIMS, (B) CLAIMS NOT REFLECTED ON DEBTORS' BOOKS AND RECORDS,
(C) PROTECTIVE INSURANCE CLAIMS, (D) INSURANCE CLAIMS NOT
REFLECTED ON DEBTORS' BOOKS AND RECORDS, (E) UNTIMELY CLAIMS
AND UNTIMELY TAX CLAIMS, AND (F) CLAIMS SUBJECT TO
MODIFICATION, TAX CLAIMS SUBJECT TO MODIFICATION, AND
CLAIMS SUBJECT TO MODIFICATION AND RECLAMATION AGREEMENT**

Phelps Dodge Corporation (“PD Corp.”) and Phelps Dodge Magnet Wire Company, Inc. (“PD Magnet”) respond to the objection of Delphi Corporation and its debtor affiliates (collectively, the “Debtors”) concerning Claim Number 10411 that was filed against Delphi Automotive Systems LLC (“DAS”) (Case No. 05-44640) as an unsecured claim in the amount of \$157,011.51, and states as follows:

1. On August 6, 2006, PD Magnet, which was a wholly owned subsidiary of PD Corp., filed Claim No. 10411. In November 2006, PD Corp., acting on behalf of PD Magnet, transferred its rights and interest in Claim No. 10411 to Hain Capital Holdings, LLC (“Hain”). Pursuant to this transfer, PD Corp. retains the right to defend against any objection to Claim No. 10411. On December 7, 2006, Hain filed a Notice of Transfer of Claim Other Than for Security.

2. The Debtors allege that Claim No. 10411 is overstated and should be modified to the reduced amount of \$143,591.30 (a reduction of \$13,420.21). But the Debtors fail to provide any further explanation, documentation, or other evidence in support of its objection to Claim No. 10411 and its assertion that the claim should be reduced. In fact, Claim No. 10411 simply mirrors Schedule F of Delphi Automotive Systems LLC, which lists “Phelps Dodge Magnet Wire Co.” as the holder of a “disputed” and “unliquidated” claim in the amount of \$162,704.26 based on “accounts payable”.¹

3. The basis for Claim No. 10411 is PD Magnet’s pre-petition sale to Delphi Automotive Systems LLC of various goods reflected in a series of invoices issued from February 2005 through October 2005 under various purchase orders. A Statement of Account summarizing the amounts due (including the invoice numbers, amounts, and dates) was attached to Claim No. 10411. A copy of each of these invoices, along with another copy of the Statement of Account, is attached hereto as Exhibit B. No payments have been received on these invoices

¹ A copy of the relevant page of Schedule F is attached hereto as Exhibit A.

and all were due as of the petition date. The details of the goods provided are set forth on the invoices.

4. As a result, the objection to Claim No. 10411 should be overruled and the claim should not be reduced as the Debtors request. The person authorized to reconcile and resolve this claim on behalf of PD Magnet is Ira Schwarzwald, Phelps Dodge Corporation, One North Central Avenue, Phoenix, Arizona 85004, (602) 366-8356, or Stephen T. Bobo, Reed Smith Sachnoff & Weaver, 10 South Wacker Drive, 40th Floor, Chicago, Illinois 60606, (312) 207-6480.

Dated: May 24, 2007

RESPECTFULLY SUBMITTED

Phelps Dodge Corporation and
Phelps Dodge Magnet Wire Company, Inc.

By: /s/ Elena Lazarou

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